



**CITY OF LODI
COUNCIL COMMUNICATION**

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AGENDA TITLE: Authorize Hourly Billing Rate Increases for Legal Services Provided Under Agreement with Folger, Levin & Kahn, LLP, to be Effective January 1, 2007.

MEETING DATE: February 7, 2007 City Council Meeting

PREPARED BY: City Attorney's Office

RECOMMENDED ACTION: Authorize Hourly Billing Rate Increases for Legal Services Provided Under Agreement with Folger, Levin & Kahn, LLP, to be Effective January 1, 2007.

BACKGROUND INFORMATION: The City Council approved retention of the law firm of Folger Levin & Kahn on June 2, 2004, to serve as outside counsel for the Environmental Abatement Program litigation.

Currently, the legal services contract provides for two alternative billing rates. The City may pay the lower of either (1) a blended rate or (2) the fixed rates for partners and associates. The City has found this choice to be most advantageous, and does not propose to change these provisions.

Folger, Levin & Kahn has requested that the City increase the billing rates effective January 1, 2007, for legal services provided under its agreement. The contract rates have been in effect since 2004, and represented a downward adjustment to Folger's standard billing rates in effect at the time, and no increases in these rates have been requested since the commencement of the contract. However, in the interim, the firm's standard rates have increased. The requested increase will result in rates that are still lower than Folger's standard rates.

The requested rate changes are (1) to adjust the blended rate from \$325 to \$350 per hour, and (2) to adjust the fixed rates from \$395 to \$420 (partners), and from \$235 to \$260 (associates), respectively. Folger's original request for partner rates topped out at \$435 per hour and they agreed with my request to reduce that portion to \$420 per hour.

FISCAL IMPACT: N/A

FUNDING AVAILABLE: N/A

Approved:

A handwritten signature in black ink, appearing to read "Stephen Schwabauer".

Stephen Schwabauer, City Attorney

APPROVED:

A handwritten signature in black ink, appearing to read "Blair King".

Blair King, City Manager